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California-American Water Company

Los Angeles Division

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Terrance D. Ryan Manager

October 29, 1998

Mr. Lester Snow Executive Director, CALFED 1416 Ninth Street, Suite 1155 Sacramento, CA 95814

Dear Mr. Snow:

I represent the Los Angeles Division of California-American Water Company, serving a diverse residential and business customer base consisting of 46,000 connections in Los Angeles and Ventura counties. Our company and many of our customers have been following the CALFED process and collectively we are growing increasingly concerned over the direction the process appears to be taking. The issues are critical for our present and future generations -- for our environment, economy and quality of life.

We endorse and support the position that the Metropolitan Water District Board of Directors has adopted and recently transmitted to you. This regional approach emphasizes the water quality benefits required to ensure the high quality, safe and reliable water Southern California needs and deserves. High quality water from a reliable source such as the Bay/Delta is considered the life blood and economic fuel for our geographical area.

We urge you to address the Metropolitan position and include it in the solution being developed. We need these assurances now, not later, in order to ensure our financial commitment to a workable resolution of this important water resources issue.

Sincerely,

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